

State Lottery

Analyst: Bybee

Historical Summary

OPERATING BUDGET	FY 2007 Total App	FY 2007 Actual	FY 2008 Approp	FY 2009 Request	FY 2009 Gov Rec
BY FUND CATEGORY					
Dedicated	11,116,600	9,244,000	11,077,800	11,196,000	11,287,600
Percent Change:		(16.8%)	19.8%	1.1%	1.9%
BY OBJECT OF EXPENDITURE					
Personnel Costs	2,604,000	2,419,600	2,689,800	2,823,200	2,914,800
Operating Expenditures	8,353,600	6,711,600	8,279,100	8,260,900	8,260,900
Capital Outlay	159,000	112,800	108,900	111,900	111,900
Total:	11,116,600	9,244,000	11,077,800	11,196,000	11,287,600
Full-Time Positions (FTP)	48.00	48.00	47.00	47.00	47.00

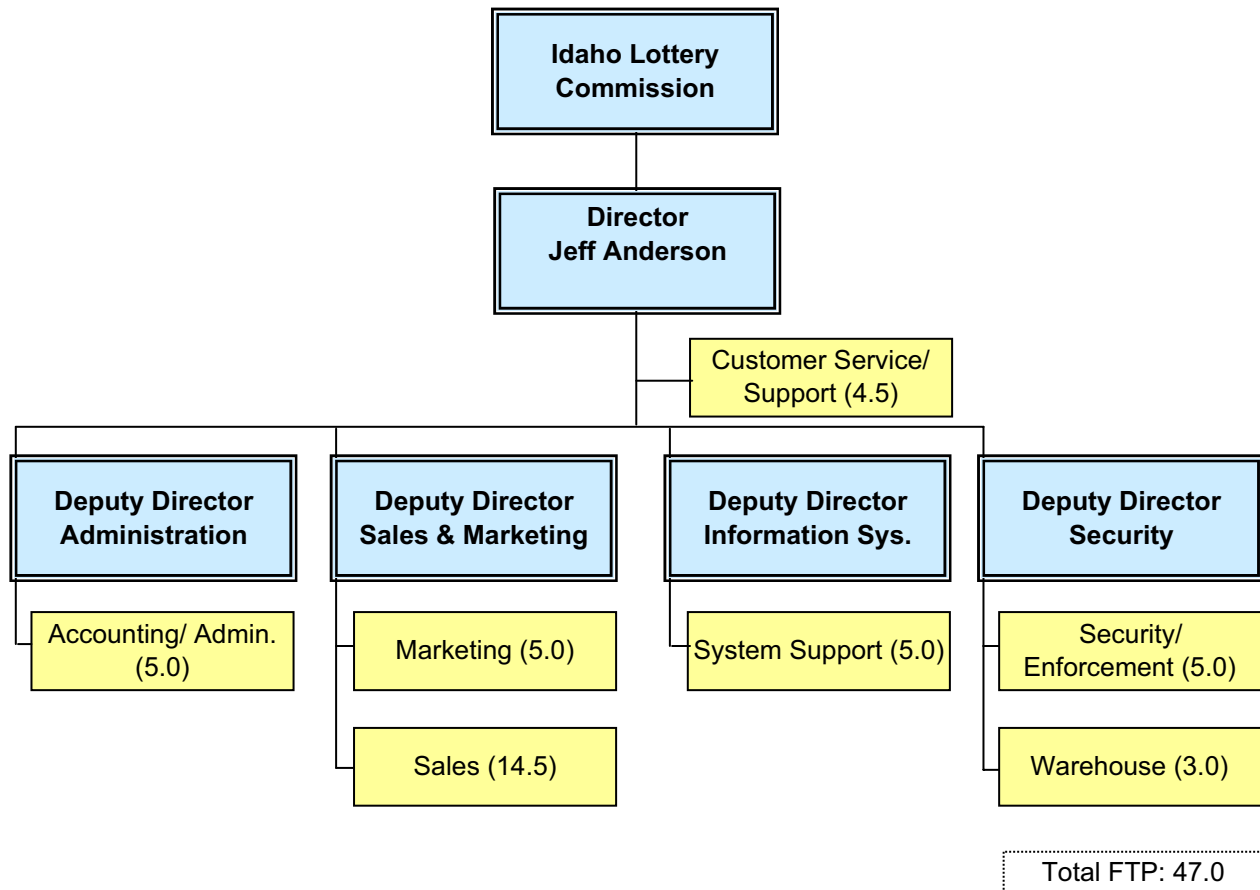
Division Description

In 1988, the Legislature authorized a vote by the electorate of Idaho for a constitutional amendment repealing the constitutional ban on lotteries. The mission of the Idaho Lottery is to maximize net income and the resulting annual dividend payments for Idaho public schools and buildings. Since its inception in 1989, the Lottery has produced \$333,550,000 in dividends. The Idaho Lottery Commission is a five-member board appointed by the Governor and serves five-year terms. The commission adopts rules for the agency, approves contracts, and monitors the Idaho Lottery operations.

State Lottery Agency Profile

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Organizational Chart



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Selected Measures

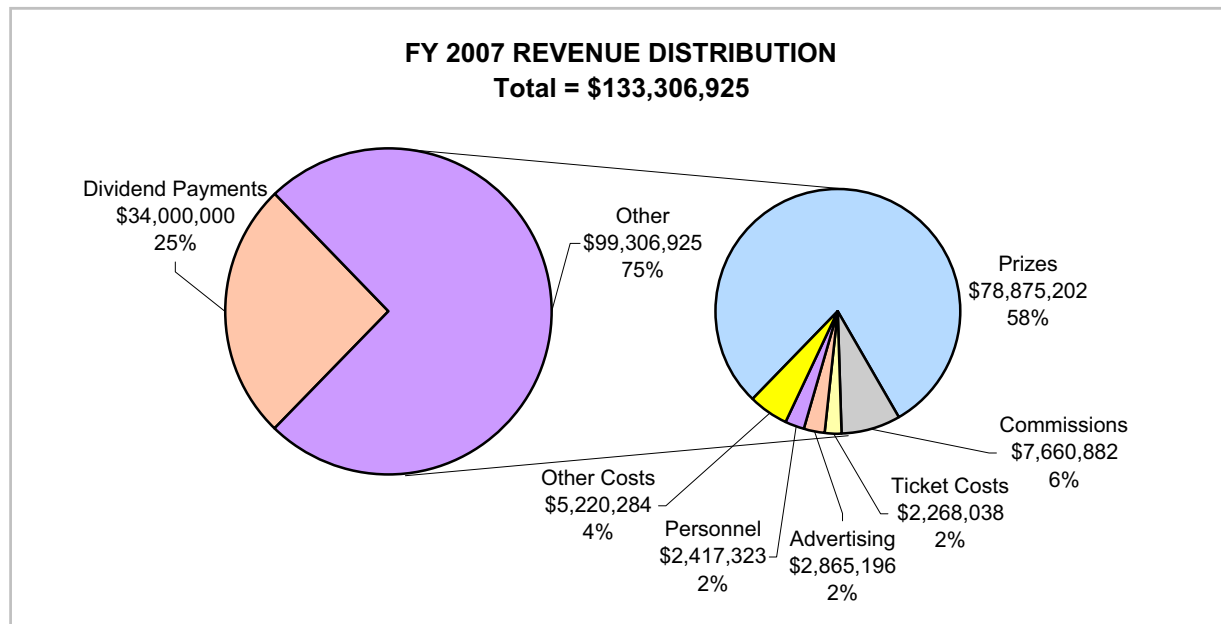
REVENUE DISTRIBUTION

Statutory Requirements:

Prize payout shall be no less than forty-five percent (45%) of lottery revenues.

Administrative costs shall not exceed fifteen percent (15%) of lottery revenue during any fiscal year.

Advertising and promotional costs shall not exceed three and one-half percent (3.5%) of lottery revenue during any fiscal year.



REVENUE DISTRIBUTION FY 2005 - FY 2007

	FY 2005	FY 2006	FY 2007
Dividend Payments	\$26,000,000	\$33,000,000	\$34,000,000
Prizes	\$69,593,162	\$76,679,037	\$78,875,202
Commissions	\$6,715,969	\$7,748,091	\$7,660,882
Ticket Costs	\$2,226,824	\$2,165,394	\$2,268,038
Advertising	\$2,790,890	\$2,630,284	\$2,865,196
Personnel	\$2,455,203	\$2,417,453	\$2,417,323
Other Costs	\$5,640,687	\$5,964,585	\$5,220,284
Total	\$115,422,735	\$130,604,844	\$133,306,925

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Comparative Summary

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Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2008 Original Appropriation	47.00	0	11,077,800	47.00	0	11,077,800
Removal of One-Time Expenditures	0.00	0	(55,500)	0.00	0	(55,500)
FY 2009 Base	47.00	0	11,022,300	47.00	0	11,022,300
Benefit Costs	0.00	0	110,500	0.00	0	110,500
Replacement Items	0.00	0	58,500	0.00	0	58,500
Statewide Cost Allocation	0.00	0	(18,200)	0.00	0	(18,200)
Change in Employee Compensation	0.00	0	22,900	0.00	0	114,500
FY 2009 Total	47.00	0	11,196,000	47.00	0	11,287,600
Change from Original Appropriation	0.00	0	118,200	0.00	0	209,800
% Change from Original Appropriation			1.1%			1.9%

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2008 Original Appropriation	47.00	0	11,077,800	0	11,077,800
Removal of One-Time Expenditures					
Remove funding provided for one-time items.					
Agency Request	0.00	0	(55,500)	0	(55,500)
Governor's Recommendation	0.00	0	(55,500)	0	(55,500)
FY 2009 Base					
Agency Request	47.00	0	11,022,300	0	11,022,300
Governor's Recommendation	47.00	0	11,022,300	0	11,022,300
Benefit Costs					
Reflects \$2,075 per position or a 29% increase in employer-paid health insurance premiums from \$7,125 to \$9,200 per year. This increase is artificially inflated since the rates have been frozen for the last two years, with increases being covered from reserves.					
Agency Request	0.00	0	110,500	0	110,500
The Governor recommends funding the employer increase in health insurance, and does not remove the funding for their PERSI rate increase that was included in the request. Recently, the PERSI Board voted not to increase the contribution rate for the upcoming fiscal year.					
Governor's Recommendation	0.00	0	110,500	0	110,500
Replacement Items					
The Lottery Commission requests \$58,500 one-time, dedicated funding in capital outlay to replace the existing phone system and miscellaneous office equipment. The phone system consists of 40 units and has been in operation since 1994.					
Agency Request	0.00	0	58,500	0	58,500
Governor's Recommendation	0.00	0	58,500	0	58,500
Statewide Cost Allocation					
This decision unit reflects statewide cost allocation for Attorney General fees, a reduction of \$43,900; an increase of risk management costs for \$24,500; an increase of State Controller's fees for \$3,700; and a reduction of \$2,500 for State Treasurer fees.					
Agency Request	0.00	0	(18,200)	0	(18,200)
Governor's Recommendation	0.00	0	(18,200)	0	(18,200)
Change in Employee Compensation					
Agencies were instructed to input a CEC based on a 1% calculator.					
Agency Request	0.00	0	22,900	0	22,900
The Governor recommends a compensation increase of 5% to be distributed based on merit.					
Governor's Recommendation	0.00	0	114,500	0	114,500
FY 2009 Total					
Agency Request	47.00	0	11,196,000	0	11,196,000
Governor's Recommendation	47.00	0	11,287,600	0	11,287,600
Agency Request					
Change from Original App	0.00	0	118,200	0	118,200
% Change from Original App	0.0%		1.1%		1.1%
Governor's Recommendation					
Change from Original App	0.00	0	209,800	0	209,800
% Change from Original App	0.0%		1.9%		1.9%